

# **Beyond TEA - 21**

## **Federal Transportation Legislation**

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### **What's Going to Happen?**

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Louisiana Statewide Transportation Plan  
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# A Big Year for Transportation

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- TEA-21 expires
- Aviation Programs need to be reauthorized
- AMTRAK in trouble
- What is SEA-21?

# A Little History --

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## Highway Trust Fund

- ◆ 18.4 cents per gallon – gasoline
- ◆ 24.4 cents per gallon – diesel fuel
- ◆ Yield: \$33 - \$34 billion
- ◆ Highways/Transit – roughly 80/20 split

# Budget – Crux of the Problem

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- “Firewalls” are not enough
- Pressure to reduce transportation spending
- Over \$4 billion at stake in FY 2003

# The FY 2003 Appropriations Debacle

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- 10 Appropriations bills not enacted
- Congressional Budget Office (CBO) reports bad news
- House / Senate are over \$4 B apart on highways alone
- White House says “make cuts”

# TEA – 3 Conventional Wisdom

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- No major changes
- Funding the key issue
- Maintain “Firewalls”
- Continue RABA (Revenue Aligned Budget Authority)
- Enhanced flexibility
- Study motor fuel tax
- Environmental programs likely to stay

# How About TRANSIT?

- Funding will also dominate debate
- Key Issue: New Starts
  - ◆ New Starts pipeline getting overwhelmed
  - ◆ 51 Rail projects in PE
  - ◆ \$20 billion needed for construction
  - ◆ 100 projects in alternatives analysis



# Where is the Administration Bill?



## NO NEW TAXES

- Six-year authorization
- No major programmatic changes
- Funding not likely to exceed TEA - 21 levels
- Increased matching requirements for New Starts – 50/50
- Some environmental streamlining



# Other TEA - 3 Issues --

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- Financing – several proposals (AASHTO, APTA & ARTBA)
- Chairman Young – 2 cents per year
- An economic stimulus package?

# Second Tier Issues --

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- Environmental streamlining
- CMAQ
- Minimum Guarantee
- Accountability

# How Will Louisiana Fare?

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- Louisiana was a TEA - 21 “winner”
  - ◆ 12 th largest increase in funding share
  - ◆ Average annual highway apportionment:
    - ISTEA : \$264 million
    - TEA - 21 : \$416 million
- New formula changes may not help
- “High Priority” Projects will be important

# Will AIR - 21 Fly??

- Key issue: SECURITY
- Former key issue: Funding
  - ◆ Spending down the Airport and Airways Trust Fund
- Other issues:
  - ◆ Duration – How about 6 years?
  - ◆ Streamlining – Airports want it too
  - ◆ Major hubs – More for the “biggies”
  - ◆ Passenger facility charges – Some tinkering with provisions



# Whatever will they do with AMTRAK?

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- AMTRAK Review Council (ARC): DO NOT PASS GO
  - ◆ New federal oversight agency
  - ◆ Government Infrastructure Corporation for NE Corridor
  - ◆ Train Operations agency
- Chairman Hollings to the rescue:
  - ⑥ Eliminate self-sufficiency mandate
  - ⑥ Pile on the subsidies



# Will the Trains Keep Running?

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- House Appropriators shoot down Senate's \$1.2 billion mark – say \$762 million will do
- White House says \$521 million is enough

**"Rough ride ahead for Amtrak"**



# Can SEA-21 Sail?

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It has many lofty goals

- ✓ Add capacity
- ✓ Address national security
- ✓ Provide congestion relief
- ✓ Improve system integration
- ✓ Improve MTS safety
- ✓ Address MTS environmental issues
- ✓ Assure a highly skilled workforce



# MTSNAC – Marine Transportation System

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## National Advisory Council

### Key Stakeholders:

- ◆ Commercial transportation firms
- ◆ Trade associations
- ◆ State and local entities
- ◆ Recreational boating interests
- ◆ Academics
- ◆ Environmental groups



# Why Do We Need SEA-21?

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- Trade and cargo are increasing dramatically
- Bigger ships require bigger channels
- Ports need economic and environmental balance



# Can We Read the TEA - LEAVES?

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# Louisiana Statewide Transportation Plan Update

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Questions?